

**North Dakota State University
Budget No. 235
Senate Bill No. 2003**

	FTE Positions	General Fund	Other Funds	Total
2013-15 executive budget (bills as introduced)	495.21	\$176,620,483	\$39,159,356	\$215,779,839
2013-15 legislative appropriations	491.21	171,193,784	39,819,356	211,013,140
Legislative increase (decrease) to executive budget	(4.00)	(\$5,426,699)	\$660,000	(\$4,766,699)
Legislative increase (decrease) to 2011-13 appropriations	(4.00)	\$43,173,552	\$3,719,356	\$46,892,908

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 legislative appropriations	\$127,747,549	\$272,683	\$128,020,232
2013-15 legislative appropriations	143,073,784	28,120,000	171,193,784
2013-15 legislative increase (decrease) to 2011-13 appropriations	\$15,326,235	\$27,847,317	\$43,173,552
Percentage increase (decrease) to 2011-13 appropriations	12.0%	10,212.3%	33.7%
2013-15 legislative increase (decrease) to executive budget	(\$3,946,699)	(\$1,480,000)	(\$5,426,699)
Percentage increase (decrease) to executive budget	(2.7%)	(5.0%)	(3.1%)

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The Legislative Assembly provided inflation funding payments to institutions that are to be used to provide salary increases, health insurance increases, and retirement contribution increases during the 2013-15 biennium.

	Major Items FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Removed funding included in the executive budget for institution equalization payments.		(\$6,431,392)		(\$6,431,392)
Provided adjusted institution equity funding payments in accordance with the higher education funding formula included in Senate Bill No. 2200.		6,431,392		6,431,392
Removed funding included in the executive budget for institution inflation and initiative payments.		(12,841,542)		(12,841,542)

Provided institution inflation funding payments based on 5 percent annual inflation adjustments made to institutions' base budgets.		10,231,144		10,231,144
Transferred internal audit and legal positions currently reporting to the University of North Dakota to the North Dakota University System office.	(4.00)	(1,336,301)		(1,336,301)
Reduced general fund support for the science, technology, engineering, and mathematics classroom building project by 5 percent (see Capital Projects section below).		(1,480,000)		(1,480,000)
Added special funds authority for building upgrades to the Center for Computationally Assisted Science and Technology.			\$660,000	660,000
Total	<u>(4.00)</u>	<u>(\$5,426,699)</u>	<u>\$660,000</u>	<u>(\$4,766,699)</u>

FTE Changes

The Legislative Assembly included funding for 491.21 FTE positions, 4 FTE positions less than the executive budget recommendation and 2011-13 biennium legislative appropriations. The Legislative Assembly transferred 4 FTE internal audit and legal positions currently reporting to North Dakota State University (NDSU) to the University System office. Pursuant to Section 36 of Senate Bill No. 2003, the State Board of Higher Education is authorized to adjust FTE positions as needed for institutions of higher education. Any FTE position adjustments must be reported to the Office of Management and Budget prior to submission of the 2015-17 budget request.

One-Time Funding

In Section 2 of Senate Bill No. 2003, the Legislative Assembly identified \$223,358,169 of funding from the general fund as one-time funding for the University System. Of this amount, \$28,120,000 is for the science, technology, engineering, and mathematics classroom building at NDSU. This amount is not to be considered part of the institution's base budget for the 2015-17 biennium, and the institution is to report to the Appropriations Committees of the 64th Legislative Assembly on the use of this funding.

Other Income Appropriation

Section 34 of Senate Bill No. 2003 appropriates on a continuing basis all other funds, including tuition income, received by the institutions of higher education during the 2013-15 biennium. As a result, the legislative appropriations for higher education institutions do not include a specific appropriation of other funds, except for capital projects.

Capital Projects

The Legislative Assembly reduced general fund appropriations for University System capital projects included in the executive budget recommendation by 5 percent. The appropriation for the University System office includes \$5,483,413 from the general fund for a capital projects contingency pool that may be transferred to institutions if the lowest acceptable bid for a project exceeds the legislative appropriation for the project. Section 24 of Senate Bill No. 2003 provides guidelines for the use of funding from the capital projects contingency pool. Section 25 of Senate Bill No. 2003 provides each capital project authorized by the State Board of Higher Education must have adequate project management oversight by either an institution official or a representative of an external entity.

The following is a summary of capital projects authorized by the Legislative Assembly for NDSU:

	2013-15 Executive Budget Recommendation			2013-15 Legislative Appropriation		
	General Fund	Other Funds	Total	General Fund	Other Funds	Total
Science, technology, engineering, and mathematics classroom building	\$29,600,000		\$29,600,000	\$28,120,000		\$28,120,000
Nutrition dietetics and hospitality laboratory		\$750,000	750,000		\$750,000	750,000
Memorial Union food court remodeling		975,000	975,000		975,000	975,000
Residence hall lavatory renovations - Phase I		1,000,000	1,000,000		1,000,000	1,000,000
Residence hall lavatory renovations - Phase II		1,030,000	1,030,000		1,030,000	1,030,000
Sanford Health athletic complex renovation (reauthorization of project)		35,404,356	35,404,356		35,404,356	35,404,356
Center for Computationally Assisted Science and Technology building upgrades					660,000	660,000
Total	\$29,600,000	\$39,159,356	\$68,759,356	\$28,120,000	\$39,819,356	\$67,939,356

Other Sections in Bill

North Dakota State University - Minard Hall project - Section 31 authorizes NDSU to continue 2007-09 and 2009-11 biennium appropriations for the Minard Hall project into the 2013-15 biennium. The section also requires NDSU to provide reports on the status of the project to the Budget Section.